

was attended by representatives of the American Medical Association, the Social Security Board of Washington, D. C., and virtually every major hospital and hospital association in the United States," said Heerman.

PRESSURE STRONG

"Speaking for the Government, Arthur J. Altmeyer, Chairman of the Social Security Board, and Louis S. Reed, also of the Board, declared that the public pressure which is being exerted upon the Government for a more widely beneficial and advanced type of hospital service is of a character that no longer can be ignored.

"These Government spokesmen were most fair in their attitude toward hospitals, declaring that many institutions have gone far toward solving existing problems by voluntarily introducing group hospitalization.

"Both speakers assured convention delegates that the Government entertains no plans for engaging in a program that would be in competition with voluntary institutions, particularly those which have a nonprofit plan in operation or under serious consideration."

PARTIAL SOLUTION

Heerman added that the Government spokesmen expressed the opinion, however, that the nonprofit service plan in operation in various parts of the country only partially solves present problems, and that the entire program will receive new impetus when a coordinated group medical service plan is placed in operation.

"A plan of this type is being considered by medical groups throughout the United States, especially in Southern California, following a meeting of the House of Delegates of the American Medical Association on September 16, when it fully approved the nonprofit hospital group plans now functioning under the joint direction of hospital and medical men."

FULL SERVICE PLANNED

Heerman said that plans are now under consideration for institution of a combined prepayment hospital-medical service throughout the Southland.

"In some of the rural communities we will encounter cases where unfortunate groups will be financially unable to subscribe to the plan. In such instances the Federal Government has indicated a method probably will be advanced whereby these groups will be able to have the same nonprofit medical-hospital benefits that are enjoyed by other classes of society."

Heerman said that several local medical societies are surveying the situation and that leaders in the group hospital plan have expressed their willingness to offer the medical fraternity their cooperation as soon as a workable program has been formulated.—*Los Angeles Times*, October 8.

NEW YORK MEDICAL SERVICE PLAN

Doctors Propose Four-Cent-a-Day Plan

Every Medical Care, Including Surgery and Specialization, Would Be Specified

A sweeping plan for providing medical care of every type, surgery and specialization included, at a cost to subscribers of four cents a day, is being developed for application to sixteen counties of New York next year, it was learned yesterday.

Assemblyman Foster Piper of Buffalo has completed a tentative draft of enabling legislation to be introduced at Albany in January, in what was termed a strong attempt to clear the way for relief alike of doctors and their patients. Meanwhile, the Kings County Medical Society has established a nucleus for the "Associated Medical Service of

New York—a mutual nonprofit coöperative association to facilitate employment of medical service."

Dr. Frederic E. Elliott, secretary-treasurer, said the object was "insurance against unusual and costly" doctors' bills. Ailments involving less than \$10 expense to the patient will not be covered by the plan, but any other disease or operation would be handled through an annual subscription of \$14.60.

RESEMBLES HOSPITAL PLAN

The plan resembles that of the Associated Hospital Service of New York, which was authorized by special legislation three years ago. The latter operates on a three-cent-a-day basis and offers hospitalization for stated periods. If the project covering physicians and surgeons also goes into effect, complete protection against a serious emergency may be obtained for \$24.60 yearly.

Mr. Piper's enabling clause, under the State Insurance Law, is expected to be in part as follows: "A membership corporation may be organized to function as a consumers' coöperative stock corporation, or a medical expense indemnity, or a hospital service for persons who become subscribers. Medical expense indemnity shall consist of reimbursement for medical care provided through duly licensed physicians and furnishing the necessary appliances, drugs, medicines, and supplies."

No one service would be allowed to combine medical and hospital care and all are to be strictly nonprofit making. Fraternal benefit societies and coöperative life and accident insurance companies are to be excluded from provisions of the measure.

NEW APPROACH PLANNED

The approach to the problem will differ from that of the Coöperative Health Association of New York, a member of the Association of Medical Coöperatives, which stopped enlisting subscribers recently after a warning from Attorney-General John J. Bennett, Jr., that its activity probably was illegal. According to State law no third agency may come between a physician and his patient.

Theoretically, in consumers' coöperatives the physicians are under contract to the corporation, whereas in medical expense indemnity there is a personal obligation to the patient. The indemnity idea depends on the participation of virtually all doctors. The consumers' coöperation stock corporation mentioned by Mr. Piper would be authorized to sell medicinal products but no professional services.

Dr. Charles H. Goodrich, president last year of the New York State Medical Society, is a member of the Medical Advisory Board of the proposed service. Serving with him are: Dr. Thomas M. Brennan, Dr. John E. Jennings and Dr. Harvey B. Matthews, all past Kings County Society presidents; Dr. Philip I. Nash, Kings president-elect; Dr. Alec N. Thomson, Kings medical director; and Dr. Alfred E. Shipley, former Deputy Commissioner of Hospitals. The application for certificate of incorporation has been drawn and signed by Dr. John B. D'Albora, Dr. John L. Bauer, Dr. Irving Gray, Dr. John J. Masterson, and Dr. Elliott.

The September issue of the *Kings County Medical Society Bulletin* will contain an editorial, describing the proposal and ending:

"There must be some concrete evidence that this enterprise will receive general acceptance and coöperative support of the medical profession. To this end, within the next few days, each physician in Kings County will receive a communication from the Association with an enclosed reply post card. . . . A vast amount of detail must be accomplished before the Association can actually enroll physician members."—*New York Times*, September 17.